## **FACT SHEET**

<u>SUBJECT:</u> Heavy Equipment Procurement Program (HEPP).

## **BACKGROUND:**

- The Defense Supply Center Philadelphia (DSCP) Heavy Equipment Procurement program is designed to support the acquisition of "commercial type" heavy equipment used by a variety of government customers.
- The Program currently has long term contractual arrangements with in place to support most types of heavy equipment.
- Contracts exist to support construction equipment, lift equipment, environmental equipment and fire fighting vehicles. In all, there are over 2,400 individual products as well as the full range of possible options for each.
- Contracts are with most of the primary manufacturers of heavy equipment in the United States.
- Acquisition of these products is a quick and easy process. DSCP will accept MILSTRIP requisitions, Military Interdepartmental Purchase requests (MIPRs), purchase orders or credit cards. Terms for the acquisitions are favorable, generally with significant discounts compared to individual procurement actions.
- The administration charge for this service is currently set at 1.387 percent. No other surcharge or fee is applied. Program sales for FY 99 were \$120 Million.

## DISCUSSION:

- The Heavy Equipment Procurement Program provides the ease and convenience of one stop shopping with the benefits of volume buying and its associated lower prices.
- In addition to pre award services the program provides after the sale support in the unlikely event that problems arise or coordination of warrantee work is required.
- Customers are provided with a wide variety of makes and models to choose from and can decide which of those offered best meets their needs. A wide range of optional parts and attachments are available and each piece of equipment ordered can be customized to the customers' unique requirements.
- Points of contact and a searchable database of current offerings is available on the DSCP web site.

 $\underline{\mathsf{RECOMMENDATION:}} \ \ \mathsf{For information only}.$ 

APPROVED: General and Industrial Director

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